Manufacture of machinery for aerated water industry

1414. SHRI RAMSINH RATHWA:
SHRI GHATURANAN MISHRA:

Will the Minister of INDUSTRY be pleased to state:

(a) what are the names of the companies which are manufacturing machinery for aerated water industry; and

(b) what are the conditions under which machinery for aerated waters can be imported?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) In the organised Sector M/s. Mohan Machines Limited, Okhla, Delhi, are manufacturing Bottling Plants, including machinery for aerated water bottling. M/s. Simtools Ltd. have recently been permitted to manufacture bottling plants. They have yet to start production. Information regarding units in the Small Scale Sector is not centrally maintained.

(b) The normal procedure prescribed for import of Capital Goods is also applicable for import of machinery for aerated waters.

Approval for foreign collaborations

1415. SHRI ASHOK NATH VERMA:
SHRI YASHWANT SINHA:

Will the Minister of INDUSTRY be pleased to state:

(a) what are the names of the items for which approval for foreign collaboration and related matters are accorded to the administrative Ministries/departments under the power delegated to them by his Ministry, Ministrywise, alongwith the names of items; and

(b) whether final approval of his Ministry is required after administrative Ministry's approval as referred to above and if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) With a view to streamline the foreign collaboration procedure and disposal of proposals expeditiously, powers have been delegated to various Administrative Ministries to accord approvals for foreign collaboration proposals provided the foreign exchange outgo in each case on lumpsum payment, if any, and royalty together does not exceed Rs. 1 crore in the aggregate. Final approval of Industry Ministry is not required as powers have been fully delegated to administrative ministries for approving such cases. There is a list of industries where no foreign collaboration, financial or technical is considered necessary and requests for collaboration in this list are not normally considered. A copy of the relevant Press Note dated 16.1.87 is enclosed as Statement.

Statement

No. 9(10)/86-FC(I)

GOVERNMENT OF INDIA

MINISTRY OF INDUSTRY

DEPARTMENT OF INDUSTRIAL DEVELOPMENT

SECRETARIAT FOR INDUSTRIAL APPROVALS

FOREIGN COLLABORATIONS-I SECTION

New Delhi, the 16th January 1987

PRESS NOTE

SUBJECT: Delegation of powers to Administrative Ministries for sanctioning foreign collaboration proposals.

In order to further streamline and expedite the procedures for securing approvals relating to foreign collaboration proposals, Government have decided to enhance the delegated powers of the administrative Ministries to accord approvals for foreign collaboration proposals. The Administrative Ministries will henceforth issue approvals in the types of

cases mentioned below:—

(i) Where there is no foreign equity participation in the proposal.

(ii) The applicant is not a company with existing foreign equity investment.

(iii) The item proposed to be manufactured is consistent with the priorities set out in the Industrial Policy Statement.

(iv) The proposal is not one envisaging extension of the period of collaboration approved earlier.

(v) The royalty payable is not more than 5 per cent (taxable) and will be comprised within the period of agreement which may extend to 10 years. The period of going into commercial production is included within this period of 10 years. The total lumpsum and royalty payments should not be more than 8 per cent of total expected sales (calculated on an ex-factory value basis) over a period not exceeding 10 years. The above should be treated as the upper ceiling and the rate of royalty, the amount of lumpsum and the period of the agreement in respect of the individual cases should be decided by the Admn. Min. on a case to case basis, taking into account all relevant factors. It is desirable that normally the period of agreement should be for eight years and royalty for five years allowing three years for commencement of commercial production.

(vi) The period of foreign collaboration should run from the date the Agreement is filed with the Reserve Bank of India.

(vii) Lumsum payments if any, are paid in not less than three standard instalments, the first instalment to be paid after the agreement is submitted to the Reserve Bank of India, the second instalment on delivery of technical documentations and the third instalment to be paid on the commencement of commercial production or four years after the agreement is filed with the Reserve Bank of India which ever is earlier. If the Indian party so desires, the lumpsum amount sanctioned could be net of Indian taxes with taxes being borne by the Indian party.

(viii) The foreign exchange outgo in each case on lumpsum payments, if any, and royalty together does not exceed Rupees one crore in the aggregate.

2. All applications seeking approval for foreign collaboration will continue to be received centrally in the Secretariat for Industrial Approvals (SIA), Foreign Collaboration-I Section, Department of Industrial Development, New Delhi as hitherto. Applications in respect of proposals which could be disposed of by the Administrative Ministries under the delegated powers will be forwarded by the Secretariat for Industrial Approvals to the Admn. Ministries.

3. Proposals not within the ambit for the above delegations will be processed by the Secretariat for Industrial Approvals and submitted to the Foreign Investment Board for due consideration.

4. Foreign collaboration proposals in industries falling within the illustrative list of industries where no foreign collaboration, financial or technical, is considered necessary (as amended from time to time) would not be decided under these delegated powers, but would be brought before the Foreign Investment Board. A copy of the illustrative list is at Annexure.

5. Indian entrepreneurs seeking approval for foreign collaboration can apply in the prescribed form (being used at present) to the Secretariat for Industrial Approvals. However, information on the following additional points may also be furnished in sixteen copies, alongwith the FC application:—

(i) Please indicate standard to which your product conforms to. In case it not as per ISI standards, please indicate the standard to which it would conform.

(ii) Reasons for not conforming to ISI standards. The Press Information Bureau is requested to give wide publicity to this Press Note.

Sd/-
(Y. A. Rao)
(Director)

Press Information Bureau, Shastri Bhawan, New Delhi.

Annexure

Illustrative list of Industries where no foreign collaboration, financial or technical is considered necessary.

1. *METALLURGICAL INDUSTRIES*:

FERROUS: Ordinary Castings, Bright Bars Structurals, Welded CI Steel Pipes & Tubes.

NON-FERROUS: Antimony Sodium Metal; Electrical Resistance, Heating (nickel free alloy), Aluminium litho plates.

2. *ELECTRICAL EQUIPMENT*:

Electrical fans, Common domestic appliances, common types of winding wires and strips, Iron clad switches, AC motors, cables and Distribution transformers.

3. *ELECTRONIC COMPONENTS AND EQUIPMENTS*:

General purpose transistors & Diodes, Paper, Mica and Variable Capacitors, T.V. Receivers, Tape Recorders, Teleprinters, R. A. Systems, Record Players/Changers.

4. *SCIENTIFIC AND INDUSTRIAL INSTRUMENTS*:

Non-specialised types of valves, meters, weighing machinery, and mathematical, surveying and drawing instruments.

5. *TRANSPORTATION*:

Railway wagons.

6. *INDUSTRIAL MACHINERY*:

Building and constructional machinery, oil mill Machinery, Conventional rice mill machinery, Sugar Machinery, Tea processing machinery, General purpose Machinery.

7. *MACHINE TOOLS*:

Forged hand tools, General purpose machine tools.

8. *AGRICULTURAL MACHINERY*:

Tractor drawn implements, Power Tillers, Foodgrains dryers, Agricultural implements.

9. *MISCELLENOUS MECHANICAL ENGINEERING INDUSTRIES*:

10. *COMMERCIAL OFFICE & HOUSEHOLD EQUIPMENTS OF COMMON USE*:

11. *MEDICAL AND SURGICAL APPLIANCES*:

12. *FERTILIZERS*:

Single Super phosphate, Granulated fertilizers.

13. *CHEMICALS (other than Fertilizers)*:

Acotic acid, Acetanilide, Itayl Chloride; Viscose Filament Yarn/Staple fibre, Melathion technical, sulphate of alumina; Potassium Chlorate; Fatty Acid & Glycerine; Butyl Titanate; Warfarin; Silica Gel; Lindane; Endesulfan; Phanthoate, Nitrogen, Eithyl other Plastipeal.

14. *DYESTUFFS*:

Banzidine; O-Toludine; Carbozole Dioxazine Violet Pigment; Cadmium Sulphide orange.

15. *DRUGS & PHARMACEUTICALS*:

Caffeins (natural); Phenyl Butazone; Tol Butamide; Para Acetamel; Phanacetin; Senna extract, Diasogenin, Clofibrate; 4-Hydroxy Cumarin; Xenthopotoxin; Calcium Gluconate; Choline Chloride, Glyceryl Gualacolate; Phenylethyl biguanide hydro-chloride; Scopelarine hydro-bromide; Niacinamide; Ortholtyl biguanide; Colchicine; Diazepam; Soroitol from dextrose monohydrate; Berberine hydrochloride; Balladonna, Acriflavine; Calcium hpophosphite; Chloridizepoxido.

16. *PAPER & PULP INCLUDING PAPER PRODUCTS*:

17. *CONSUMER GOODS*:

18. *VEGETABLE OILS & VANASPATI*:

19. *RUBBER INDUSTRIES*:

Viscose tyre yarn; Metal bonded rubber; Latex foam; Rubberised fabrics; Bicycle Tyres and Tubes.

20. *LEATHER, LEATHER GOODS & PICKERS:*

Belting-Leather; Cotton & hair finished leather, pickers, Picking brands; Vegetable tanning extracts; Fat liquors other than synthetic.

21. *GLASS CERAMICS:*

22. *CEMENT & GYPSUM PRODUCTS:*

NOTE: List is illustrative and not exhaustive Clarification of details within the broad heading is the responsibility of Administrative Ministries.

Stoppage of subsidy to industrial units in Assam

1416. SHRI SUKOMAL SEN: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that government have stopped subsidy to over 196 industrial units in Assam; and

(b) if so, what are the compulsions for such a sudden step under the Central Investment Subsidy Scheme, in details?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) Apparently, the Hon'ble Member is referring to the discontinuation of Central Subsidy from 22nd September, 1988 to non-manufacturing activities. State Governments including the Government of Assam, had represented that the Central Subsidy in respect of such projects sanctioned before 22nd September, 1988, be continued. The Government have since advised all State Governments that in respect of Non-manufacturing activities, the Subsidy disbursed by the State Governments before 30th September, 1989 provided that the projects have been approved by the State Level Committee/District Level Committee before 30th Setember, 1988 i.e. during the validity of the Central Investment Subsidy Scheme will be eligible for reimbursement by the Central Government. It is now for the Assam Government to take further action.

Norms for extension of the Central Investment Subsidy Scheme

1417. SHRI MOHAMMED AMIN:
SHRI NARAYAN KAR:

Will the Minister of INDUSTRY be pleased to state:

(a) what are the norms for extending the Central Investment Subsidy Scheme; and

(b) what norms are applied to stop such subsidy under the Scheme, in details?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHR M. ARUNACHALAM): (a) and (b) The Central Investment Subsidy Scheme has been discontinued from 1-10-1988.

Hiring of computer equipment by BHEL

1418. SHRI KRISHNA KUMAR BIRLA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that BHEL has recently decided to hire computer equipment for its Trichy, Hyderabad and Bhopal offices from a firm whose quotations were earlier rejected and that the system offered by the firm does not conform to the standards and practices of BHEL;

(b) whehter it is also a fact that BHEL did not invite fresh tenders; and

(c) if so, what are the reasons therefor and what is the amount of rent and maintenance charges of the equipment involved per annum?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) to (c) The position, as furnished by BHEL is given in the Statement below.

Statement

In order to revamp computer facilities at various plants, BHEL had invited limited global tenders in February, 1987 for supply